

**GWALIA RESOURCES (INTERNATIONAL) LTD.**F A C S I M I L E

38-40 Parliament Place  
West Perth  
PO Box 669 West Perth  
Western Australia 6005  
Telephone (09) 481 1911  
Facsimile (09) 481 1271  
Telex AA95797

GRB:dw:C55/6

15th September, 1988

Mr D. Duskin  
BP Minerals America  
PO Box 891  
CAMDEN SOUTH CAROLINA 29020  
UNITED STATES OF AMERICA  
FAX: 0011 803 425 1086

Dear Doug

BARITE HILL JOINT VENTURE

We acknowledged receipt of your Notice of Exercise of the Put Option to Richard Pierce yesterday and our position is that the Assignment of all Titles subject to the Joint Venture Agreement will need to be in place at the time of settlement. Consequently we anticipate that the Special Warranty Deed will include all duly executed Assignments.

With reference to your advice concerning Tract 60-d (U.S. Forest Service) we will need advice from Hogan and Hartson before finalising our requirements. I confirm that you should talk directly with Bruce Gilchrist in this respect and fax him a copy of the Offer Agreement from the U.S. Forestry Service received to consummate the land swap.

We will revert to you as soon as we have advice from our Counsel.

Regards

G. R. BALL  
MANAGER - COMMERCIAL & PROPERTY

cc Mr B. Gilchrist  
Hogan and Hartson  
Columbia Square  
55 Thirteenth Street  
WASHINGTON DC 20004-1100  
UNITED STATES OF AMERICA  
FAX: 0011 202 347 1373

A Member of The Gwalia Group



10755399